3510-DS-P

### **DEPARTMENT OF COMMERCE**

### **International Trade Administration**

[A-557-816]

Certain Steel Nails from Malaysia: Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review; 2019-2020

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) preliminarily finds that certain steel nails from Malaysia were sold in the United States at less than normal value during the period of review, July 1, 2019, through June 30, 2020. Interested parties are invited to comment on these preliminary results.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]. **FOR FURTHER INFORMATION CONTACT:** Preston Cox, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5041.

### **SUPPLEMENTARY INFORMATION:**

### Background

On September 3, 2020, Commerce published the notice of initiation of the administrative review of the antidumping duty order on certain steel nails from Malaysia.<sup>1</sup> On October 27, 2020, Commerce selected Region International Co., Ltd. and Region System Sdn. Bhd. (collectively, Region) as the mandatory respondent in this administrative review.<sup>2</sup> On March 25,

<sup>1</sup> See Initiation of Antidumping and Countervailing Duty Administrative Reviews, 85 FR 54983 (September 3, 2020) (Initiation Notice).

<sup>&</sup>lt;sup>2</sup> See Memorandum, "Administrative Review of Antidumping Duty Order on Certain Steel Nails from Malaysia: Respondent Selection," dated October 27, 2020. Commerce has preliminarily determined to collapse the Region companies and treat them as a single entity. For a discussion of the collapsing criteria, see Memorandum, "Analysis Memorandum for Region International Co., Ltd. and Region System Sdn. Bhd. in the Preliminary Results of the 2019/2020 Administrative Review of the Antidumping Duty Order on Certain Steel Nails from Malaysia," dated concurrently with this notice.

2021, we extended the time limit for completion of these preliminary results to July 30, 2021, in accordance with section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act).<sup>3</sup> For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.<sup>4</sup>

# Scope of the Order

The products covered by the scope of the order are certain steel nails from Malaysia. For a complete description of the scope of this administrative review, *see* the Preliminary Decision Memorandum.

### Partial Rescission of Administrative Review

In the *Initiation Notice*, we initiated a review of twenty-five companies. Subsequently, Mid Continent Steel & Wire, Inc. (the petitioner) withdrew its request for review with respect to twenty of these companies.<sup>5</sup> No other parties had requested a review of these companies. Thus, in response to the petitioner's timely withdrawal of its request and pursuant to 19 CFR 351.213(d)(1), we are rescinding the administrative review of the twenty companies listed in Appendix II to this notice.

### Methodology

Commerce is conducting this review in accordance with section 751(a) of the Act. For a full description of the methodology underlying these preliminary results, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is made available to the public via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at http://access.trade.gov. In addition, a complete version of the Preliminary

<sup>&</sup>lt;sup>3</sup> See Memorandum, "Certain Steel Nails from Malaysia: Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review; 2019-2020," dated March 25, 2021.

<sup>&</sup>lt;sup>4</sup> See Memorandum, "Certain Steel Nails from Malaysia: Decision Memorandum for Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review; 2019-2020," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

<sup>&</sup>lt;sup>5</sup> See Petitioner's Letter, "Certain Steel Nails from Malaysia – Withdrawal of Request for Administrative Review," dated September 24, 2020 (Petitioner's Withdrawal of Request for Administrative Review).

Decision Memorandum can be found at <a href="http://enforcement.trade.gov/frn/index.html">http://enforcement.trade.gov/frn/index.html</a>. A list of the topics discussed in the Preliminary Decision Memorandum is attached as Appendix I to this notice.

### Rate for Non-Selected Companies

The statute and Commerce's regulations do not address the establishment of a rate to be applied to companies not selected for individual examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in a market economy investigation, for guidance when calculating the rate for companies which were not selected for individual examination in an administrative review. Under section 735(c)(5)(A) of the Act, the all-others rate is normally "an amount equal to the weighted average of the estimated weighted average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely {on the basis of facts available}."

In this review, we preliminarily calculated a weighted-average dumping margin for Region that was not zero, *de minimis*, or based on facts available. Accordingly, we have preliminarily assigned the weighted-average dumping margin calculated for Region as the weighted-average dumping margin for the non-individually examined companies.

# Preliminary Results of Review

We preliminarily determine that the following estimated weighted-average dumping margins exist for the period July 1, 2019, through June 30, 2020:

Producer/Exporter	Estimated Weighted-Average Dumping Margin (percent)
Region International Co., Ltd. and Region System Sdn. Bhd.	1.77

Inmax Sdn. Bhd. and Inmax Industries Sdn. Bhd. <sup>6</sup>	1.77
Tag Fasteners Sdn. Bhd.	1.77

### Disclosure and Public Comment

We intend to disclose the calculations performed to parties in this administrative review within five days after public announcement of the preliminary results in accordance with 19 CFR 351.224(b).

Pursuant to 19 CFR 351.309(c), interested parties may submit case briefs no later than 30 days after the date of publication of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than seven days after the date for filing case briefs.<sup>7</sup>

Commerce has modified certain of its requirements for serving documents containing business proprietary information until further notice.<sup>8</sup> Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.<sup>9</sup>

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via ACCESS. Requests should contain: (1) the party's name, address and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case briefs. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined. An

<sup>&</sup>lt;sup>6</sup> Commerce determined to collapse, and treat as a single entity, affiliates Inmax Sdn. Bhd. and Inmax Industries Sdn. Bhd. in the final results of the 2018-2019 antidumping duty administrative review of certain steel nails from Malaysia. Therefore, we are continuing to treat these companies as a single entity for these preliminary results. See Certain Steel Nails from Malaysia: Final Results of the Antidumping Duty Administrative Review and Final Determination of No Shipments; 2018–2019, 86 FR 16322 (March 29, 2021).

<sup>&</sup>lt;sup>7</sup> See 19 CFR 351.309(d); see also Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19, 85 FR 17006, 17007 (March 26, 2020) ("To provide adequate time for release of case briefs via ACCESS, E&C intends to schedule the due date for all rebuttal briefs to be 7 days after case briefs are filed (while these modifications remain in effect).")

<sup>&</sup>lt;sup>8</sup> See Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period, 85 FR 41363 (July 10, 2020).

<sup>&</sup>lt;sup>9</sup> See 19 CFR 351.303 (for general filing requirements).

electronically filed hearing request must be received successfully in its entirety by Commerce's electronic records system, ACCESS, by 5:00 p.m. Eastern Time within 30 days after the date of publication of this notice.<sup>10</sup>

Commerce intends to issue the final results of this administrative review, including the results of its analysis of the issues raised in any written briefs, no later than 120 days after the date of publication of this notice, unless extended, pursuant to section 751(a)(3)(A) of the Act. Assessment Rates

Upon issuing the final results, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries. If the weighted-average dumping margin for Region is not zero or *de minimis* in the final results of this review, we will calculate an importer-specific assessment rate on the basis of the ratio of the total amount of dumping calculated for each importer's examined sales and the total entered value of such sales in accordance with 19 CFR 351.212(b)(1).<sup>11</sup> If Region's weighted-average dumping margin is zero or *de minimis* in the final results of review, or if an importer-specific assessment rate is zero or *de minimis*, Commerce will instruct CBP to liquidate appropriate entries without regard to antidumping duties.<sup>12</sup> For entries of subject merchandise during the period of review produced by Region for which it did not know its merchandise was destined for the United States, we will instruct CBP to liquidate unreviewed entries.<sup>13</sup>

Consistent with its recent notice, <sup>14</sup> Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties

<sup>&</sup>lt;sup>10</sup> See 19 CFR 351.310(c).

<sup>&</sup>lt;sup>11</sup> See Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification, 77 FR 8101, 8103 (February 14, 2012).

<sup>&</sup>lt;sup>12</sup> *Id.* at 8102-03; see also 19 CFR 351.106(c)(2).

<sup>&</sup>lt;sup>13</sup> See Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties, 68 FR 23954 (May 6, 2003).

<sup>&</sup>lt;sup>14</sup> See Notice of Discontinuation of Policy to Issue Liquidation Instructions After 15 Days in Applicable Antidumping and Countervailing Duty Administrative Proceedings, 86 FR 3995 (January 15, 2021).

to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication). The final results of this administrative review shall be the basis for the assessment of antidumping duties on entries of merchandise under review and for future cash deposits of estimated antidumping duties, where applicable.

For the companies for which this review is rescinded with these preliminary results, Commerce will instruct CBP to assess antidumping duties on all appropriate entries at a rate equal to the cash deposit of estimated antidumping duties required at the time of entry, or withdrawal from warehouse, for consumption, during the period July 1, 2019 through June 30, 2020, in accordance with 19 CFR 351.212(c)(1)(i). Commerce intends to issue appropriate assessment instructions directly to CBP no earlier than 35 days after publication of this notice in the *Federal Register*.

# Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication in the *Federal Register* of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for companies subject to this review will be equal to the company-specific weighted-average dumping margin established in the final results of this administrative review; (2) for merchandise exported by a company not covered in this review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published in the completed segment for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the less-than-fair-value investigation but the producer is, then the cash deposit rate will be the rate established in the most recently completed segment of the proceeding for the producer of the merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 2.66 percent, the all-others rate established in the less-than-fair-

value investigation.<sup>15</sup> These cash deposit requirements, when imposed, shall remain in effect

until further notice.

Notification to Importers

This notice serves as a preliminary reminder to importers of their responsibility under 19

CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior

to liquidation of the relevant entries during this review period. Failure to comply with this

requirement could result in Commerce's presumption that reimbursement of antidumping duties

occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

Commerce is issuing and publishing these results in accordance with sections 751(a)(1)

and 777(i)(1) of the Act and 19 CFR 351.221(b)(4).

Dated: July 27, 2021.

Christian Marsh,

Acting Assistant Secretary for Enforcement and Compliance.

<sup>15</sup> See Certain Steel Nails from Malaysia: Amended Final Determination of Sales at Less Than Fair Value, 80 FR 34370 (June 16, 2015).

# Appendix I

# List of Topics Discussed in the Preliminary Decision Memorandum

I. Summa	ry
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- II. Background
- III. Scope of the Order
- IV. Partial Rescission of Administrative Review
- V. Companies Not Selected for Individual Examination
- VI. Discussion of the Methodology
- VII. Currency Conversion
- VIII. Recommendation

# **Appendix II**

# List of Companies for Which Commerce is Rescinding the Administrative Review

- 1. Atlantic Manufacture Inc.
- 2. Chia Pao Metal Co., Ltd.
- 3. Delmar International (Vietnam) Ltd.
- 4. Dicha Sombrilla Co., Ltd.
- 5. Expeditors Vietnam Company Limited
- 6. Gia Linh Logistics Services Co., Ltd.
- 7. Global Logistics Solution Co., Ltd.
- 8. Jinhai Hardware Co., Ltd.
- 9. K-Apex Logistics (HK) Co., Limited
- 10. KPF Vietnam Co., Ltd.
- 11. KPF Vina Co., Ltd.
- 12. Orient Star Transport Int'l Ltd.
- 13. Oriental Multiple Enterprise Ltd.
- 14. Pudong Prime Int'l Logistics Inc.
- 15. Rich State, Inc.
- 16. Top Shipping Company Limited
- 17. Topy Fasteners Vietnam Co., Ltd.
- 18. Truong Vinh Ltd.
- 19. United Nail Products Co., Ltd.
- 20. Vina Hardwares Joint Stock Company. 16

[FR Doc. 2021-16476 Filed: 8/2/2021 8:45 am; Publication Date: 8/3/2021]

<sup>&</sup>lt;sup>16</sup> See Petitioner's Withdrawal of Request for Administrative Review.